(19) DC/R

STANDARD FORM NO. 64

CONFIDENTIAL

DECLASSIFIED

Office Memorandum • UNITED STATES GOVERNMENT

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY J.M. Raz DATE: November 13, 1953
DATE May 6, 1982

TO : OMP - Mr. Evans

FROM : APS - Mr. Highby

SUBJECT: Aid to Libya

A meeting was held in NA of Department officials with Wilhelm Anderson and Ray Ioanes of the Department of Agriculture. Mr. Anderson has just returned from a trip abroad including a visit to Libya with definite impressions regarding the grain situation there. Mr. Anderson was convinced of an import need of barley in Libya but also had been clearly given to understand that the Libyans were prepared to pay for their imports. Therefore, he considered that it would be proper to use Section 550 creating counterpart for use in agricultural development in Libya rather than use Famine Aid.

773.5 MSP/11-1353

The exchange with Tripoli concerning the change-over from consideration of Section 550 to Famine Aid help to Libya, had occured since Mr. Anderson's visit. Since FOA was set against including Libya in Section 550 programs, the group was limited for the time being to consideration of what reply to make to the latest cable from Tripoli, namely No. 128 of November 10, which reported that the Libyan Development Agency had placed an order for 4,000 tons of barley in cereal, an event which resulted from lack of coordination of the Libyan Government officials pending a response from Washington concerning the official request of 6,200 tons of barley. The Libyan officials now were "informally interested" in receiving the balance of the 6,200 tons, namely 2,200 tons, in the form of wheat on the Famine Relief basis.

The group agreed that there would have to be a specific formal request for the wheat before any action could be taken. Since Mr. Anderson reported that the outstanding need in agricultural development in Libya was for the Libyans to associate native personnel and funds with the United States Point IV effort, the group agreed that the reply should suggest that the Famine Aid of 2,200 tons of wheat might be made on condition that the Libyan Government make a corresponding amount available for agricultural development work to be carried on jointly with the Point IV

JAN 8 1954

group

CONFIDENTIAL

DECLASSIFIED

group. The reply was also to raise the question whether our representatives in Libya found that such a Famine Aid program would constitute an undesirable precedent for the future. It was understood that the possibility of a 550 Program in barley to supplement the Famine Relief Program would still remain to be considered. Agriculture was prepared to try to influence FOA to modify its position in this regard.

It is understood that NA officials will take this up at a higher level and that whatever communication they come up with to Tripoli will be subject to clearance in E.

cc: APS - Mr. Alexander
OFD - Mr. Turnage
ED - Mr. Smith

OMP:APS:LIHighby:gjg

DECLASSIFIED